

APPENDIX A CITY OF LINCOLN COUNCIL ANTI-BRIBERY POLICY

1. Foreword

1.1 Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.

1.2 There are four key offences under the Bribery Act 2010:

- bribery of another person (section 1)
- accepting a bribe (section 2)
- bribing a foreign official (section 6)
- failing to prevent bribery (section 7)

1.3 The Bribery Act 2010 makes it an offence to offer, promise or give a bribe (Section 1). It also makes it an offence to request, agree to receive, or accept a bribe (Section 2). Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business.

1.4 There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. This is what is known as a “strict liability” offence. This means that there is no need to prove negligence or management complicity. An organisation will have a defence to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

2. Policy Statement – Anti-Bribery

2.1 Bribery is a criminal offence. The Council does not, and will not, pay bribes or offer improper inducements to anyone for any purpose, nor does, or will, the Council accept bribes or improper inducements.

2.2 To use a third party as a conduit to channel bribes to others is a criminal offence. The Council does not, and will not, engage indirectly in or otherwise encourage bribery.

2.3 The Council is committed to the prevention, deterrence and detection of bribery.

2.4 The Council has zero-tolerance towards bribery and aims to maintain anti-bribery compliance “business as usual”, rather than as a one-off exercise.

3. Objective of this Policy

3.1 This policy provides a coherent and consistent framework to enable the Council’s employees and members to understand and implement arrangements enabling compliance. In conjunction with related policies and key documents it will also enable employees and members to identify and effectively report a potential breach.

3.2 The Council requires that all personnel, including those permanently employed, Members, temporary agency employees and contractors:

- To act honestly and with integrity at all times and to safeguard the Council's resources for which they are responsible.
- To comply with the spirit, as well as the letter, of the laws and regulations of all jurisdictions in which the Council operates, in respect of the lawful and responsible conduct of activities.

4. Scope of this Policy

4.1 This policy applies to all of the Council's activities. For partners, shared services and suppliers, we will seek to promote the adoption of policies consistent with the principles set out in this policy.

4.2 Within the Council, the responsibility to control the risk of bribery occurring resides at all levels of the Council. It does not rest solely within assurance functions, but in all business units and corporate functions.

4.3 This policy covers all personnel, including all levels and grades, those permanently employed, temporary agency employees and members, contractors, nonexecutives, agents, Members (including independent members), volunteers and consultants.

5. The Council's Commitment to Action

5.1 The Council commits to:

- Setting out a clear anti-bribery policy and keeping it up to date. Providing a clear framework, guidelines and procedures for the identification and investigation of bribery
- Making all employees and members aware of their responsibilities to adhere strictly to this policy at all times.
- Encouraging its employees and members to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately.
- Rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution.
- Taking firm and vigorous action against any individual(s) involved in bribery.
- Provide information to all employees and members to report breaches and suspected breaches of this policy.
- Ensuring information is provided to enable the general public to report suspected cases of bribery, fraud and corruption

- Include appropriate clauses in contracts to prevent bribery.

5.2 To help achieve these aims, the council will observe the six principles of:-

- Proportionate procedures
- Top level commitment
- Risk assessment
- Due diligence
- Communication (including training)
- Monitoring and review

5.3 Principle 1: Proportionate Procedures

The Council has procedures in place to prevent bribery by persons associated with it. These are proportionate to the bribery risks faced by the Council and to the nature, scale and complexity of the Council's activities.

5.4 Principle 2: Top Level Commitment

This policy has been agreed by the Corporate Management Team and the Executive. The Chief Executive, the Chair of the Audit Committee and Directors are committed to preventing bribery by persons associated with it. They foster a culture within the organisation in which bribery is never acceptable.

5.5 Principle 3: Risk Assessment

The nature and extent of the Council's exposure to potential external and internal risks of bribery on its behalf by persons associated with it is periodically assessed. This includes financial risks but also other risks such as reputational damage.

Key areas of risk identified include property disposal, contracts including contract award and monitoring, grants and regulatory activity and enforcement. Risks will be subject review and monitoring and fraud risk reports (including the risk of bribery) will be considered by the Corporate Management Team and Members.

5.6 Principle 4: Due Diligence

The Council takes a proportionate and risk based approach, in respect of persons and third parties who perform or will perform services for or on behalf of the organisation, in order to mitigate identified bribery risks.

5.7 Principle 5: Communication (Including Training)

The Council seeks to ensure that its bribery prevention policies and procedures are embedded and understood throughout the organisation through internal and external communication, including training that is proportionate to the risks it faces.

5.8 Principle 6: Monitoring and Review

Procedures designed to prevent bribery are monitored and reviewed and improvements are made where necessary.

6. Bribery is Not Tolerated

6.1 It is unacceptable to act in the following way:

- Give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given.
- Give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure.
- Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them.
- Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by the Council in return.
- Retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy engage in activity in breach of this policy.

7. Facilitation Payments

7.1 Facilitation payments are not tolerated and are illegal. Facilitation payments are unofficial payments made to public officials in order to secure or expedite actions. A common example is where a government official is given money or goods to perform (or speed up the performance of) an existing duty. Facilitation payments were illegal before the Bribery Act came into force and they are illegal under the Bribery Act, regardless of their size or frequency.

8. Employee and Member Responsibilities

8.1 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Council or under its control. All employees and members are required to avoid activity that breaches this policy.

8.2 Employees and members must:

- ensure they adhere to legal and contractual requirements, procedures and practices including the Council's codes of conduct, Contract and Financial procedure rules and procurement guidelines. Ensure that they read, understand and comply with this policy.
- Raise concerns as soon as possible if there is a belief that a conflict with this policy has occurred, or may occur in the future.

8.3 As well as the possibility of civil and criminal prosecution, employees and members that breach this policy may face disciplinary action or other sanctions.

9. Gifts and Hospitality and Conflicts of Interest

9.1 This policy is not meant to change the requirements of the Council's stance on gifts and hospitality and existing Member and Officer Codes of Conduct still apply. The offering and acceptance of gifts, donations, sponsorship and corporate hospitality should be strictly in accordance with the Council's codes and procedures. Conflicts of Interests should be managed in accordance with the Council's codes and procedures.

10. Public Contracts and Failure to Prevent Bribery

10.1 Under the Public Contracts Regulations 2006 (which gives effect to EU law in the UK), a company is automatically and perpetually debarred from competing for public contracts where it is convicted of a corruption offence. There are no plans to amend the 2006 Regulations for this to include the crime of failure to prevent bribery. Organisations that are convicted of failing to prevent bribery are not automatically barred from participating in tenders for public contracts. This Council has the discretion to exclude organisations convicted of this offence.

11. Raising Concerns

11.1 There are multiple channels to raise concerns. These can be via the line manager in the first instance or directly the City Solicitor, Audit Manager or Human Resources Manager. More detail can be found in the Council's Whistleblowing policy. Reporting suspected cases is vital and this should be done as soon as possible. Retain all information that gave rise to concerns.

11.2 The Council is committed to ensuring that all of us have a safe, reliable, and confidential way of reporting any suspicious activity.

12. Investigation

The procedure for investigation follows the fraud response plan set out in the Counter Fraud strategy.

13. Other Relevant Policies

- Counter Fraud Policy / Strategy
- Anti-Money Laundering Policy
- Whistleblowing Policy
- Codes of Conduct
- Contract and Financial Procedure Rules
- Data Protection Policy
- Information Security policies

Annex 1

SANCTIONS

(A) Criminal Liability

1. Individuals

The maximum penalty for people convicted under the Bribery Act is 10 years imprisonment and/or personal fines.

Individuals may also be disqualified from being directors under the Company Directors Disqualification Act 1986.

2. Council

Unlimited fines may be imposed on organisations for failing to prevent bribery. The Serious Fraud Office has indicated that these are likely to be significant amounts. Organisations may also be debarred from bidding from public contracts.

Senior Officers and the Council can both be liable if it can be shown that the Council committed an act of bribery with the consent or connivance of a senior officer of or by a person purporting to act in such capacity.

(B) Civil Liability

In addition, or as an alternative to the criminal penalties, an action may be brought for the recovery of proceeds of crime under the Proceeds of Crime Act 2002, Part 5.

Annex 2

A. Countries Perceived to be high risk for Corruption

Transparency International annually publishes a Corruptions Perceptions Index ("CPI") which is a useful indicator on the risks of corruption in any said country.
<https://www.transparency.org/cpi2018>

B. Sectors Perceived to be high risk for Corruption

The most recent Bribe Payers Index ("BPI") 2011 lists industry sectors in accordance with statistics ranging from bribing officials to frequency of bribes. The survey is available at <https://www.transparency.org/research/bpi/overview>

End

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